

# City And Territory Forge Ahead On Many Greater Hawaii Plans

## Golden Horn of Plenty Scattered Riches In 1912

By E. A. MOTT-SMITH

Secretary of the Territory of Hawaii

The past year has been a very prosperous one for Hawaii. Great progress has been made in many ways. Financially the Territory was never in better condition. Territorial receipts have exceeded expenditures by a good margin, the assessed value of property has materially increased, and there has been a substantial gain in taxes. Imports and exports, showing the trade of the country, exceeded the previous year's business by \$14,692,591 for the fiscal year ending June 30, 1912. The customs receipts paid into the United States treasury still exceed a million and one-half dollars, while revenues derived from internal revenue have approached close to a quarter of a million dollars. Bank deposits have increased nearly three million dollars, and the capitalization of domestic corporations by approximately twelve million dollars. Territorial 4 per cent bonds to the amount of \$1,500,000 have been sold at a favorable figure, the result of increasing confidence in Hawaii's credit, and the money, added to that realized by the same method during the preceding year, applied to extensive improvements.

Progress has been made in the introduction of Caucasian agriculturists and the minimum wage rate of unskilled labor on plantations has increased from \$18 to \$20 per month plus a bonus depending on the price of sugar. Cottages with modern sanitary arrangements and garden space have been substituted generally on the plantations for more or less insanitary tenement houses for laborers. There has been more successful homesteading during the past year than for any year previous.

Not only have there been twice as many homesteads taken than in any previous year, and that notwithstanding more stringent provisions to insure genuine homesteading, but the character of takers has improved, there being a greater percentage taken by Americans and Caucasians than heretofore. In this relation the Supreme Court has rendered a valuable decision which makes clear to all the requirements and necessity of good faith in homesteading. The Secretary of the Interior, Hon. Walter L. Fisher, has paid an extended visit to the Territory, clarifying many points in regard to land policies and making many valuable suggestions on that as well as on other Territorial matters. The beneficial results of his visit are now becoming apparent. In registered voters for the 1912 election there has been a gain of 602 Americans over the election of 1910, showing a substantial increase in American population.

Transportation facilities are constantly improving. Nine large American steamers are under construction or completed for traffic with the mainland. Dredging and breakwater construction has progressed in several of the principal harbors and contracts have been let for the construction of many important wharves, some of which have been completed. The work on belt roads has gone ahead rapidly and many of these projects are nearing completion. Under the loan fund appropriations the construction of many school and other buildings has been undertaken during the year and the work thereon is proceeding apace. The Library of Hawaii has been practically completed, as well as some of the more important school buildings, including the Liliuokalani School at Kaimuki.

In Honolulu the entire system of water works is being remodeled, while important extensions of the sewer system have been projected and made and new projects entered into. Perhaps the two most important improvements to Honolulu are the reclamation of the swamp lands of Kakaia, Kewalo and to and lying below Kakaia and the reconstruction of the Punchbowl district. The latter project, which is nearing completion, involved turning a congested district without adequate streets, water or sewer service into one of the healthiest districts of the city with all of these facilities.

No subject is of greater importance nor has been given more attention during the year than that of the public health. Honolulu has enjoyed a good year in this regard. Public health and sanitation has taken a hold on the people of the territory and therein lies the reason for the progress that has been made in cleanliness and better conditions during the year. In this relation it is noteworthy to remark the active and intense interest taken by various improvement committees and organizations as well as of other committees and organizations which have taken up the work not only of beautifying the physical aspect of the city, but of purifying and improving its social and other conditions to the end of good, healthy citizenship individually and collectively. The territory has much for which it can congratulate itself in the social, commercial and industrial progress made by its people during the past year.

## Attorney-general's Department Aids In Building Up Permanent Improvements

Inasmuch as the attorney general's department acts as the legal adviser of the other branches of the territorial government, the main work of the members of the office consists in rendering opinions, oral or written, to the other departments. Of these during the past year there have been in the neighborhood of three hundred.

The court work has consisted of about 150 cases, including those involving the determination of inheritance taxes. In several of the cases tried this year certain laws have been tested or construed in certain particulars for perhaps the first time since their adoption, and upon the construction of these laws will depend in a large measure the future administrative policy of the government relating to the conditions covered by these laws. Some of the more important cases are the so-called homestead case, the best road case, and the Kewalo reclamation case, all in the supreme court of the territory.

In the first case the provisions in the homestead laws relating to residence, maintenance of home, cultivation, tree planting and assignment and sublease, all questions of vital importance to both the homesteaders and the government and all fruitful of vexation and misunderstanding in the past, were adjudicated in such a way as largely to clear the atmosphere and enable both the government and the homesteaders better to understand in the future their respective rights and obligations regarding homesteading. This case was brought under the old homestead law which has been materially changed in some respects by congress in the new amendments to our Organic act in 1910, the amendments, relating chiefly to who may take up homesteads and what may be done with homesteads after they are taken, either before or after patent is obtained. For example, under the new law, the homesteader must be a citizen before obtaining his patent, something not required by the old law. "Repeating" is also prohibited, and under the new law the restrictions upon alienation by the homesteader either before or after he acquires his patent, are much more stringent.

In the best road case so-called, the conditions under which contracts for the expenditure of public money for roads, etc., can be made, have been clearly defined, and the case itself will be of material assistance in the future in drawing up contracts relating to public improvements and the expenditure of money upon competitive bidding.

Washington at some later date on another contract, the attorney general's department and the other branches of the government are assuming that the decision of the court is correct, and the work of reclamation so necessary to Honolulu is being pushed with all possible speed.

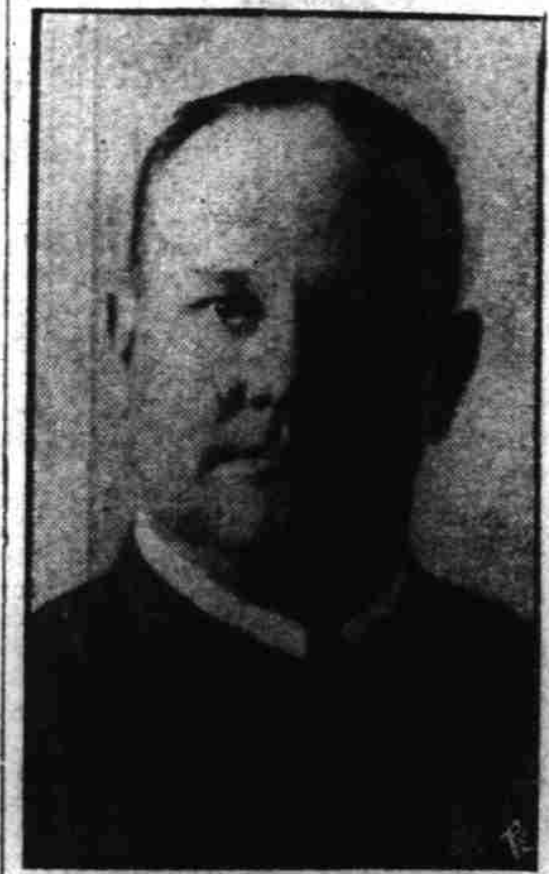
Another important matter in the decision of real progress and occupying the almost entire attention of the attorney general for several months, has been the question of Punchbowl preference rights, granted by the amendment by congress in 1910 to the Organic act. After as thorough and careful an investigation as is possible under the circumstances, nearly two hundred persons, principally Portuguese, have been given preference rights in the land of Auwahi, at Punchbowl. The wisdom of this amendment by congress is even now apparent when one considers the remarkable change that has already occurred upon the slopes of Punchbowl.

The personnel of the office has changed somewhat during the year. On May 1, 1912, Mr. E. W. Sutton, first deputy, resigned, and Arthur G. Smith, second deputy, was made first deputy, and Mr. Leslie P. Scott was appointed second deputy. This last month the attorney general, Alexander Lindsay, resigned, and W. W. Thayer, Esq., was on Dec. 9 appointed by the governor as attorney general in his place.

Prof. T. A. Jagger, of the Massachusetts Institute of Technology and one of the foremost volcanologists of the world, arrived in Hawaii to study the volcano of Kilauea. Since that time plans have been developed for a permanent observatory at this wonderful volcano, and a station has been established not far from the crater, with an observation house at the crater's edge. Ultimately it is hoped to have the observatory on a permanently endowed basis, and when Congress appropriates a comparatively small additional sum, construction work will be started, probably about the middle of 1913.

The Sanitary Commission, appointed by Governor Frear under authority of the legislature of 1911, made a notable report to Governor Frear on April 4, 1912, dealing with sanitary and health conditions of Honolulu. The report was the result of a year of work by former Governor George R. Carter, Dr. G. W. McCoy, C. R. Hemenway, James L. Young, Prof. A. R. Keller and Dr. Donald H. Currie.

HOLDERS OF PUBLIC OFFICE WHOSE FIRST AIM IS TO SERVE PEOPLE PRACTICALLY



L. M. WHITEHOUSE, City and County Engineer.

## HONOLULU STREETS ARE GIVEN INTELLIGENT ATTENTION BY CALDWELL

Prior to January, 1912, the road department and the city and county engineer's office of Honolulu had been separate departments. As can be well understood, there was a great deal of friction and contention between different departments having partial control over the same kind of work. The latter part of January, 1912, the supervisors realizing that a great deal better work and more efficient methods could be obtained by the consolidation of these departments passed an ordinance giving the city and county engineer the appointing power and full administrative authority over all of the road department of the city and county of Honolulu. G. H. Gere, at that time city and county engineer, appointed J. W. Caldwell, C. E., Member American Society of Engineering Contractors and Associate member Society of Civil Engineers, to the position of road overseer, district of Honolulu. The road overseers of the outlying districts were retained.

Mr. Caldwell, under the direction of Mr. Gere, proceeded at once to put the road department on an efficient basis, reducing the running expenses and inaugurating an accurate cost-keeping system.

April 15, Mr. Gere resigned as City and county engineer and L. M. Whitehouse, C. E., Member American Society of Engineering Contractors, was appointed to the position vacated by Mr. Gere. Mr. Whitehouse, from the beginning has had the confidence of the business community as he has been a well known contractor in the islands for a number of years.

Install Cost System

Mr. Whitehouse with the assistance of Mr. Caldwell has striven to give the city and county a first class administration of the road building department. The present road department for the first time in the history of the city and county knows accurately at the end of each day the unit cost of all the work that they are doing, thereby being able to keep strict tabs on the foremen. The rollers and other machinery which was unable to work over two or three days without breaking down is now in first class working condition and is only subject to the usual wear and tear. Machinery that was purchased and for some time past had been allowed to accumulate rust and dirt has all been put into service and the maximum amount of output from these machines has been received. In the past, if a road showed unusual wearing qualities, it was absolutely impossible to find out what methods were pursued in constructing these roads so as to duplicate the good roads and discontinue those roads which had shown a lack of wearing qualities. The records under the old order give absolutely none of the desired information. Under the present methods used, it is possible to tell exactly how one road differs from another and to eliminate the bad points of construction in roads that do not wear well under the city's traffic. The cost-keeping records show to a fraction of a cent the unit cost of the different operations that go to the making of a road. All of these records have been filed in the office of the city and county engineer and will be of vast help to future road builders of this city.

fills all of the interstices between the 11-2 inch stone. A 12-ton roller with the wheels well oiled goes over this surface, crowding the rocks together, making a tight wearing surface. After this course is well rolled, 3-4 inch stone is applied as lightly as possible and swept into the voids not filled by the asphalt. This is rolled until a smooth surface is obtained. The appearance of this surface for a few weeks would give the impression to the average layman that some very necessary operation had been neglected, but such is not the case. The traffic in conjunction with the heat from the sun in a short time draws this asphaltic binder to the top. While this binder is heated by the sun the traffic crowds the small particles of rock into it and makes an absolutely smooth, dustless and impervious surface. The cost of building this kind of a road varies on account of the following conditions: amount of traffic, whether or not on a street upon which the rapid transit is operating, and whether an old road has to be completely torn out and replaced with an entirely new road, or whether only a 2-3 inch wearing surface is to be applied. The cost of taking out 10 inches of old road and building an entirely new road where the road was narrow and street-cars were operating, has gone as high as \$1.82 per square yard, while under more favorable conditions the old top has been taken off and a new surface put on at a cost of 60 cents or less per square yard.

Money Expended

The amount of money expended by the Honolulu Road Department from February to November 30, on maintenance and new construction amounts to about \$140,431.

The following is a partial list of the work that has been accomplished in that time:

Aala storm drain from Kukui to King Street 917 lineal feet of 21-inch pipe; Alexander Street storm drain from Beretania to McCully Tract about 900 lineal feet; Ala Moana Road; the long bridge on this road decked and new railings put on; Ala Moana plaza, concrete, curbs constructed; Alewa Heights, roads patched; Anapuni street, new bridge; Beretania Street, Emma to Nuuanu, asphaltic macadam; Beretania, Nuuanu to Junction of King, macadamized; Beretania from Alexander to Moiliili, patched; Beckley Street, new curbs; the old macadamized streets of the city district, oiled; cleaning streets and storm sewers, 6518 catch basins cleaned in 5 months, lime and 4000 yards street sweepings removed; Emma Street, Beretania to Vineyard, Ewa plaza, asphaltic macadam; Moanalua, from Fort Shafter Hill to Puukiki Hill, patched, resurfaced and oiled; Chinese Cemetery Road, Manoa, constructed of gravel; Desha Lane, patched and oiled; Port Street, Hotel to Beretania, Waikiki side, asphalt and macadam; King Street from Liliha Street to the Bridge, oil-bound macadam; Hobron Avenue, built by contract; Hotel Street, Alakea to Fort, asphaltic, macadam; Hustace Street, patched; Judd Street, patched; Kawalahao lane, patched; Kalia road, reconstructed; Kalahele Avenue from Ewa road to Lighthouse, resurfaced and repaved; King street, Punchbowl to Alaia, heavy oil macadam; King street, Keeaumoku to Kalahele Avenue, heavy oil macadam; King street, Kapiolani to Victoria, surface treated with asphalt and tar; King street, Punchbowl to Palace gate, asphaltic macadam; King street, Victoria to Piikoi, patched and oiled with fuel oil; King street, Palace square, Richard and Millard street, oiled with fuel oil; King street from River to Liliha, light oil; Kunaia lane, repaired; Kuakini street, two reinforced concrete bridges constructed—one 60 feet and the other 35 feet; Kukui street between River and Nuuanu, repaired; Kukui street, two bridges rebuilt; Liliha street, King to Waialae, Waikiki side, water-bound macadam; Liliha street extension and Puunui, constructed; Makena island, road and bridge constructed; 4650 square yards fill made; Makiki District, oiled with light oil; Makiki dike, partially repaired; Ma-

SECRETARY OF THE TERRITORY E. A. MOTT-SMITH



JOHN W. CALDWELL, City and County Road Supervisor.

kiki flumes, repaired; Millard street, repaired; Maunakea street, King to Pauahi, asphaltic macadam; Merchant street, repaired; Nuuanu Avenue, waterbound macadam from King to Judd street hill; Tenth ave., Paio, reconstructed; Parker lane, new bridge; Pensaloca street, repaired; Punchbowl street, repaired; Queen street, repaired; sprinkling streets; average amount of water per month, 3,000,000 gallons; Sixth ave., Kaimuki, reconstructed by contract; Tantalus Road, new bridge and patched; Waialae Road, patched; Ward ave., King to Queen, graded. The above list does not take into consideration a number of small items which, although the appear very insignificant, consume a great deal of money and time.

## MUNICIPAL REVENUES FOR 1912 REFLECTING GENERAL PROSPERITY

The revenue of the City and County of Honolulu at the present time is made up of (a) taxes, (real and personal, dog and poll); (b) receipts from licenses, court costs and fines, building and plumbing fees and garbage service.

At the beginning of 1912 this revenue had to be estimated. The working of the new tax law had not been thoroughly tested, and the division of taxes under it as between the Territory and City and County, was not understood by any two government officials alike. The city auditing department however, relied upon the law as Tax Assessor C. T. Wilder construed it, with the result that estimated revenues from real and personal, dog and poll taxes for the year have come to within \$500 or \$600 of the amount estimated. The amount estimated as available from these sources was placed at \$569,840. As a matter of fact the City and County (estimating December receipts at \$5,500), will have received \$589,257.03. The auditing department made estimates on license fees (liquor and general) at \$142,000. This amount will show a slight increase. Receipts from all other sources were estimated at \$400,000, this figure stands well to be increased by \$12,000 for the year.

Under the working of the new tax law, the Territorial auditor makes settlement twice a year with the county on current taxes on real and personal property. When settlement was made in the middle of the year it was found that the Territorial auditor had deducted some \$23,000, to make up what he called a "school deficit" for the last half of 1911. Prior to the final adjustment of taxes for the year the legality under the law of this deduction from its share of the taxes with the happy result that the amount was turned back to the city

## Important Public Works Completed: Much Begun

By H. K. BISHOP

Superintendent of Public Works

During the past year the Department of Public Works completed several public buildings on the island of Oahu, and on the other islands, among the most prominent of which are: the Boys' Industrial School at Waialae, Oahu; the Girls' Industrial School at Moiliili, Honolulu; the Kapihi Hospital, Honolulu; and the Hilo Board of Health building, Hilo, Hawaii. Others in course of construction are the Judiciary building and insane asylum, Honolulu, and the Lahaina school, Maui.

In addition to these, several other smaller buildings have been completed, or are under construction at the present time.

In reference to future work on other public buildings, plans and specifications are now completed and bids called for the construction of the new armory at Honolulu; and specifications are under way, and nearly complete, for a new armory building at Lahaina, Maui. The plans and specifications are under preparation for a new prison in Honolulu, in addition to which considerable work has been undertaken for the loan fund commission of Hawaii in connection with the construction of hospitals and schools.

The other additional work which will be undertaken will depend upon the appropriations made by the next legislature.

In the matter of water works and sewers, the piping systems have been gradually extended during the past year; and several contracts have been let for supplies and for the construction of reservoirs and new pumping station machinery at Wilder Avenue and Kaimuki.

The work of metering has been carried forward gradually during the past year and several hundred meters are now in use. Venturi meters have been established on some of the mains from the Pumping Stations.

In regard to future work on the water works systems, it is proposed to complete the new pumping stations at Wilder Avenue and Kaimuki; and to take up the proposition in general of using electrical power for pumping at some of the present pumping stations, utilizing the Nuuanu water supply. If there is any surplus power available in the present plant.

Plans and specifications are being prepared for the remodeling of the Punchbowl Reservoir, and the completion of the Alewa Heights Reservoir.

In a general way, it is proposed to extend both the water and sewer mains to all those sections of the city not covered at the present time. Inasmuch as the funds will permit.

Road Work

In the matter of homestead road work, plans and specifications have been prepared, and bids called for, for grading the streets and laying storm sewers in the Auwahi Tract, Punchbowl District, Honolulu. Plans and specifications will be prepared, and bids called for, for completing this work and laying the necessary sewer and water pipes and building the macadam pavements on the same during the coming year.

In addition to this there are several homestead roads on the various islands which will be improved out of money derived from the sale of public lands.

In the matter of reclamation work, the contracts have been let for the filling in of the lowlands of Kewalo, Honolulu. The contractors are now waiting the delivery of the dredge, which is expected about the first of February, when the work of filling this large tract will be commenced.

Plans and specifications are under way, and the matter is now under consideration, of extending this fill and the letting of a contract covering additional ground in this section.

Other work of reclamation will probably come up and be undertaken under the "Revolving Fund" Appropriation.

It is hoped that arrangements can be made whereby an up-to-date chemical and bacteriological laboratory can be established so that the analysis of the various fuel oils and oils used for road purposes, as well as the chemical and bacteriological analysis of Honolulu's water supply can be carried on. It is extremely important that such a laboratory be established; and the work of the Department is greatly handicapped without it.

There is a large amount of work which should be done in the near future, but which will be impossible to undertake until the Legislature has made proper financial provision for carrying it out.

## Whole Territory Feels Quick Stimulus of "Good Business"

By D. L. CONKLING

Treasurer Territory of Hawaii.

The year 1912 will be put down as one of the most successful years, from all viewpoints, that Hawaii has ever known. Situated as the territory is in the midst of a vast expanse of ocean, we have not the same dependence as contiguous states and countries have on the mainland. Our problems are local ones and we are looking to no outside help to solve them. The prosperity of Hawaii is of course dependent upon the price of sugar and the production of a great crop of that staple of commerce. The territory is primarily an agricultural country and will always be. While but a few years ago sugar was the only product relied upon, now the pineapple is taking its place in the wealth production and experiments with other products are looked upon as giving good promise of success.

During 1912 Hawaii has produced its largest crops of sugar and pineapples, importations of goods have greatly increased, many new business ventures have been started and the capital of many of our big concerns has been increased.

During this year thirty-five new corporations with a capital aggregating \$3,365,000, have been formed while increases in capital stock of the older corporations have totaled \$9,602,000, much of this in stock dividends. While there has not been a boom in real estate, the transfers of lands have increased 35 per cent over last year.

and county, thus giving the city and county the full amount of taxes as estimated by the auditing department early in the year.

Disbursements from this general fund to November 30 have amounted to \$714,834.64 by the issuance of 19,355 warrants on the city and county treasurer.

In addition to the general revenue set out above the city and county has a special revenue in the shape of road taxes which is composed of \$2—out of every \$5—received by the tax collector in the shape of poll taxes. This amount by law is set aside as a separate fund to be used for road work only. This was estimated early in 1912 at \$50,000—but this amount at this time bids fair to be increased by something between \$4000 and \$5000.

Disbursements under this fund by the issuance of 1860 warrants on the city and county treasurer have amounted, up to November 30, 1912, to \$49,337.40.

The principal objection that can be registered against the present tax law from the standpoint of the city and county is that it requires too great a portion of the sum total of the taxes allotted the city and county to the general year the city and county will have received from the general taxes in a separate fund to be devoted to permanent improvements a sum in the neighborhood of \$140,000. That would mean that the

1911. The business of the bureau of conveyances shows an increase of 31 per cent over the previous year and to date there have been recorded 31 per cent more documents than in 1911, the numbers being respectively 4,833 and 5,842.

Besides the great number of land transfers, the remarkable amount of building now being done, particularly in and around Honolulu, has proven that there is a steady growth going on. With the advent of the many thousand troops due here in a short while, the money spent in the territory will increase by many millions a year, not only for the supplies of these men, but their own expenditures of their wages, which will to a great extent flow into Honolulu.

Of course there is a fly in the prosperity ointment and that is the tariff reduction, which is now apparently nearer the country than ever before. This, however, if it results in a very material reduction in the sugar tariff, will simply mean a readjustment of the sugar business. Sugar will have to be made cheaper in Hawaii. This can be done and will be done, and two or three years of uncertainty will clear the way. One small way in which sugar may be cheapened to the manufacturer is by reducing the toll for transportation. The Panama canal will be one of the means of this and the opening of the canal is much nearer than the actual operation of a reduced sugar tariff.

city and county would have to tie up \$140,000 and borrow money to carry on the general demands at 5 or 6 per cent interest. The Board of Supervisors, feeling that they were the custodians of the city funds, and rather than register warrants and borrow money, they concluded to treat the whole amount received from taxes as a general fund, and to such permanent work during the year out of said general fund in an amount required by the law. This part of the law might well be altered making the portion of permanent improvements very much lower, for the reason that a great deal of permanent work has been done out of the general funds of the city and county.

## "HOME INSURANCE" IS ESTABLISHED

Hawaii has this year made an important new departure in starting its own insurance of all sorts of risks. At the closing of the books tomorrow the Home Insurance Company, Ltd., will show about \$5000 on the right side of its profit and loss account, together with a reserve of about \$7000. Also, it will have written in premiums on home policies something over \$20,000. The company has established abundant connections with the old line companies of America and Europe for reinsurance of risks, and it may be safely regarded as having come to stay and grow.